



MINUTES

Commercial and Strategy Committee Meeting

Tuesday, 28 January 2020

Ref: 1316426

**Minutes of Timaru District Council
Commercial and Strategy Committee Meeting
Held in the Council Chamber, Timaru District Council, King George Place, Timaru
on Tuesday, 28 January 2020 Following the 9.26am**

Present: Cr Peter Burt (Chairperson), Cr Allan Booth (Deputy Chairperson), Cr Richard Lyon, Cr Gavin Oliver, Cr Paddy O'Reilly, Cr Barbara Gilchrist, Cr Sally Parker, Cr Stu Piddington, Cr Steve Wills, Mayor Nigel Bowen

In Attendance: **Community Board Representatives**
Temuka Community Board – Ali Talbot
Point Community Board – Ross Munro
Geraldine Community Board - Wayne O'Donnell

Council Officers

Chief Executive (Bede Carran) for Item 7.1, Group Manager Commercial and Strategy (Donna Cross), Chief Financial Officer (David Codyre) for Item 7.2, Governance Advisor (Jo Doyle)

1 Apologies

No apologies were received.

2 Identification of Items of Urgent Business

No matters of Urgent Business were identified.

3 Identification of Matters of a Minor Nature

No matters of a Minor Nature were identified.

4 Declarations of Conflicts of Interest

Nigel Bowen declared he is a Director on Timaru District Holdings Limited.

Richard Lyon declared he is a Director on Timaru District Holdings Limited.

Committee Resolution 2020/1

Moved: Cr Barbara Gilchrist

Seconded: Cr Steve Wills

That the declarations of conflict of interest from Nigel Bowen and Richard Lyon be noted.

Carried

5 Chairperson's Report

Several meetings have been held with Group Manager Commercial and Strategy as well as constituent issues that have been resolved collaboratively with staff.

Committee Resolution 2020/2

Moved: Cr Peter Burt

Seconded: Mayor Nigel Bowen

That the Chairperson's Report be received.

Carried

6 Confirmation of Minutes

6.1 Minutes of the Commercial and Strategy Committee Meeting held on 26 November 2019

Committee Resolution 2020/3

Moved: Cr Barbara Gilchrist

Seconded: Mayor Nigel Bowen

That the Minutes of the Commercial and Strategy Committee Meeting held on 26 November 2019 be confirmed as a true and correct record of that meeting.

Carried

7 Reports

7.1 Letter of Expectations to Timaru District Holdings Limited

The Chief Executive presented a Letter of Expectations (LoE) for its approval. This letter is the first piece of work from the recommendations received from the MartinJenkins report and will provide the expectation of the community on transparency, reporting, opportunities and risks.

The programme of work will be presented at the next Council meeting and the timing required for this letter to go to Timaru District Holdings Limited for their Statement of Intent has meant there has been no opportunity to hold a prior workshop.

A committee member referred to examples from Auckland District Council and Tasman District Council and that both examples are very strategic and ensure compliance with Health and Safety and that commercial leases are compliant. This committee member expressed that more work needs to go into the Statement of Intent.

The committee discussed that this is stage one of the process and that a workshop is planned for February which will provide the opportunity to have significant input and discussions into the content of the Timaru District Holdings Limited Statement of Intent.

Committee Resolution 2020/4

Moved: Cr Barbara Gilchrist

Seconded: Cr Allan Booth

That the Committee:

1. Receives the report and draft Letter of Expectations (Draft letter attached)
2. Approves the Mayor signing and sending the Letter of Expectations to Timaru District Holdings Limited

Carried

7.2 Council Investments and Borrowing at 31 December 2019

The Chief Financial Officer provided an update to the committee on the status of Council treasury activities at 31 December 2019.

On a global context there was nervousness worldwide around trade and Brexit which had now disappeared, and the outcome is central banks are not tightening fiscal policy. In the New Zealand context, the Reserve Bank is happy with the current environment with no expected rate cuts forecast. This has meant a slight increase at what we borrow at along with additional reserve bank requirements on banks, which has pushed costs up.

During the last quarter, five million of debt was repaid, resulting in a low net debt figure

Committee Resolution 2020/5

Moved: Cr Sally Parker

Seconded: Cr Paddy O'Reilly

That the Committee;

- 1 Receive and note the report.

Carried

4 Consideration of Urgent Business Items

No matters of Urgent Business were considered.

5 Consideration of Minor Nature Matters

No matters of a Minor Nature were considered.

The Meeting closed at 9.44am.

Minutes confirmed 10 March 2020.

**Chairperson
Cr Peter Burt**